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Yugoslavia

Key Points

- Most of the country moved closer to multiparty elections, and several scheduled votes were postponed to await passage of more liberal election laws and allow opposition groups time to organize.
- Even Serbia, whose leader Slobodan Milosevic has resisted change, is considering legislation legalizing opposition parties.
- Yugoslavia's move toward political pluralism has been accompanied by rising nationalism and increased regional and ethnic tensions.
- New protests in Kosovo Province led to the redeployment of federal troops and a hardening in positions of both Serbs and ethnic Albanians.
- Heightened national feeling in Slovenia led to an increasingly independent stance vis-a-vis federal authorities by the Slovene Communist party and government.
- The government's anti-inflation reform program was hurt by high money supply growth and widespread violations of the wage freeze, but Premier Markovic pointed to slowing inflation and said he would stay the course. [REDACTED]

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Yugoslavia continued its rapid progress toward a multiparty system despite continuing regional and ethnic tensions and developing problems with the government's program to fight hyperinflation. [REDACTED]

Political Process. Movement toward multiparty elections continued throughout the country, even though elections to the Federal, Macedonian and probably Bosnia-Herzegovinan Assemblies are being postponed to await passage of more liberal election laws and to allow opposition groups time to organize. The greatest progress has been made in the north, where the republic of Croatia joined Slovenia in approving constitutional amendments removing the Communist party's privileged status and providing for free, multiparty elections; both republics will hold legislative elections in April. In the south, Montenegro has joined Bosnia and Macedonia in moving to implement multiparty systems. Even Serbia, whose conservative leader Milosevic has steadfastly resisted pluralistic reforms, has introduced a draft election law that would legalize opposition parties. The Serbian law, however, contains numerous restrictions that invite abuse. [REDACTED]

Yugoslavia's move toward political pluralism has been accompanied by a sharpening of ethnic and regional rivalries that threaten the country's political cohesion. The hardline nationalist policies of Serbian strongman Milosevic, in particular, have not only provoked ethnic strife in Kosovo Province, but have also increased tensions with Slovenia and Croatia and led to increased national feeling in both republics. The Slovene Communist party has responded by adopting an increasingly independent stance vis-a-vis federal authorities, exemplified by its severing of ties with the Yugoslav Communist party in early February. The Slovene government also retaliated against Serbia's economic boycott by reducing payments to the federal budget that would go to Serbia and Kosovo. [REDACTED]

Control of Society. Serbia's Kosovo Province remained tense as demonstrations continued throughout the month and a surge of protests in mid-month led federal authorities

"We are not striving for secession...but at achieving a position within Yugoslavia for a common life with other peoples and nationalities in...freedom and equality." - Statement by Kosovo opposition groups

to redeploy military troops as a show of force. Despite calls for dialogue by President Drnovsek and Premier Markovic,

the positions of the two sides seemed to harden. Ethnic Albanians sharply criticized repressive police measures and called for the resignation of the provincial leadership, while Serbian leaders called for armed intervention, mass expulsions of ethnic Albanians from Kosovo--where they comprise 90 percent of the population--and the resettlement there of Serbs from outside the province. Calls for calm and dialogue within the province came from the new group "Democratic Alliance of Kosovo," which claimed to have signed over 200,000 members. [REDACTED]

Management of the Economy. The government's "shock therapy" program to fight hyperinflation ran into serious problems in February. Growth of the official money supply, which has fueled hyperinflation, rose to about twice the level aimed for and an explosion of unbacked enterprise credits added to strong consumer demand. Premier Markovic also conceded widespread violation of his program's wage freeze. The National Bank moved in mid-month to slash the money supply, which by the end of the month left about 80 percent of the firms in Belgrade without the cash needed to remain open, according to claims by Serbian bankers. Markovic nonetheless said he will stay the course and pointed to preliminary data to show inflation was slowing. [REDACTED]

Foreign Relations. Increasing ethnic strife in Yugoslavia is souring relations with several of its neighbors. Belgrade's crackdown in Kosovo has been a major irritant in relations with Albania, which Serbia has accused of fomenting unrest among the province's ethnic Albanian population. Rising national feeling in the republic of Macedonia and desire to steal the thunder of new nationalist opposition political parties that are forming there led the Yugoslav government--on behalf of the Macedonian government--to pick a quarrel with Bulgaria over the treatment of its "Macedonian minority," which the Bulgarians refuse to recognize. Tensions also appear to be increasing with Greece over the Macedonian issue. [REDACTED]

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